

S E C R E T

ADPP 225-83

Office of Finance  
Planning Document for Period  
1 October 1983 - 30 September 1988

I. Introduction

This plan specifies the primary Office of Finance (OF) goals and objectives for the five (5) year period ending 30 September 1988. It sets forth the overall direction for OF during this period and provides the managerial guidance necessary to achieve the goals and plan for the resources required to satisfy objectives.

II. Assumption

A. Growth in the numbers of Agency personnel will stabilize and resource bases will be limited.

B. The development of new automated payroll and logistics systems will continue to have a high Directorate priority.

C. The most effective means of increasing efficiency is the development of automated systems which eliminate or reduce labor intensive processes.

D. Despite stabilization of Agency personnel and fiscal resources, OF will continue to lack the numbers of employees required to: (1) properly address and plan for both long-term systems development and the resultant human factor training/adjustment impact (2) effectively respond to the growing demands for information and procedural innovations resulting from congressional legislation, Treasury Department initiatives, directives from OMB, GAO guidelines, and Agency management, and (3) adequately plan for the continuity and movement of the several functional areas of financial expertise into the era of automation.

E. Development of new technical collection systems will require increased audit support by CSAD for general contracting activities.

S E C R E T

## III. Goals

A. Maintain an Effective Career Development Program Which Maximizes the Motivation and Potential of Each Employee and Develop Other Programs Which Meet OF and Agency Needs.

1. Although this goal is one of the highest concern, the reality of facing major personnel and procedural adjustments to cope with an automated work environment and, at the same time, having numerous unfilled staff positions, presents a formidable dimension of difficulty. The human being is the key factor to any automated system. These systems can only be successful if they take the human factor into account. Failure to do so will lead to systems being developed solely along functional approaches and requirements, which are application specific, and contain various levels of automation. Developmental efforts of this type will be seen by MF careerists as unilateral and arbitrary management actions and interpreted as unpredictable administration of policy.

2. The MF Career Service entered FY 1984 with a large number of vacant staff positions, within, and outside of OF. Assuming optimum processing time and available new employees, the Career Service will not be at full strength until summer 1984 at the earliest. The vast majority of the newcomers, for obvious reasons, will be assigned to OF positions. As new people arrive, priority consideration must be given to transferring the more experienced OF personnel to the unfilled positions outside OF. The loss of expertise, together with sizeable absorption of inexperienced personnel and the forced rotation of employees due to events beyond OF control will seriously impede this office's ability to maintain existing functions much less plan for the future. This ongoing personnel posture affects, and has greatly influenced, two arenas of OF responsibility. They are:

a. Career Management OF personnel management has been forced into the reactionary posture of deciding which positions must be filled and which positions will inflict the least damage if not filled. Lack of personnel resources relegates individual employee career development and direction subordinate to the maintenance of existing functions. Availability for reassignment primarily based upon how long an employee has been assigned (rarely two years) has become the major criteria for personnel assignments. Personal desires and preferences too frequently must be ignored due to the exigency at hand. This frustrates both the employee's and the career service's plans for development of full potential and expertise in OF functional work areas and systematic and skilled lines of succession into middle and more senior level OF management positions. Rapid personnel assignments with no developmental direction lowers the individual's level of expertise and instills an overall sense of lack of competence in the employee. The rotational process must be stabilized and the long term level of skills and knowledge secured.

S E C R E T

S E C R E T

b. Personnel Training For and Adaptation to Automated Environments

From the user standpoint, few other components within the Agency are faced with the degree of impact on total personnel in the transition from present operations to fully automated functions. It is a truism that technology keys into people a feeling of inadequacy and abrupt imposition of automated equipment reveals their inability to function. Throughout this period of transition, the major problem for OF will be to maintain a balance between supporting existing task objectives while developing new tasks which take full advantage of the new technology. Failure to support existing objectives will cause the careerists involved to have difficulty identifying with a new system and may see it as a hindrance to their real or perceived function. This balancing act will require OF to dedicate personnel resources to not only system design but the development of training techniques, training programs, and training aids to smooth the way to full automation. OF must ensure that systems will be designed to permit employees to feel they are controlling the system rather than being controlled by the system. This requires a complete analysis and total understanding of existing user tasks by well qualified finance officers in specific areas. OF must avoid the too popular methodology of simply automating existing tasks which, over the long term, perpetuates unnecessary activities and deprives the users of the full benefit of the radical change which is inevitable in any event. Long term planning must include management strategy to progressively modify the allocation of functions and operations between the staff and the developing systems. In all automation efforts, the only constant is one of change. This is a challenge which must be met by ensuring an open line of communication between management and users and the development of new skills through additional training and recruitment. Additionally, OF must avoid creating systems which configure the organization of work in ways that result in pressure on management to avoid problems caused by that configuration. Of prime importance is the absolute need for the system software interface with the employee to be right from the very start.

B. Improve Effectiveness and Productivity of Careerist Through State-of-the-Art Automation Technology

1. OF will undertake serious long range planning for total automation of financial operations. In November 1983, the Director of Finance will establish a Task Force for the express purpose of formulating a basic concept for total automation of financial activities. Their findings and recommendations will be available in early 1984.

S E C R E T

S E C R E T

2. A significant office automation effort has been taken by OF in the use of word processing equipment. The WANG ALLIANCE system was introduced late in the first quarter of 1983, and is now functional. The numbers of terminals and system applications are, and will continue to be, in an evolutionary status. It is anticipated that the total requirement for WANG terminals will be satisfied during FY 1985. System application development will continue as an on-going effort to improve office productivity by the enhancement of communication and information access and to respond to other needs as new tasks and activities evolve from OF movement into high technology. Eventually, the Wang terminals will be able to access the main frame computer data. Ultimately, OF envisions that all OF personnel will have ready access to a CRT terminal affording maximum worker-system interaction. Personnel will be provided with substantial amounts of computational power sufficient for performing a variety of text and data processing applications as well as access to large data storage capabilities. Data sharing between work stations will be provided and system development and design will focus on acceptable response and access time. Basically, OF sees the office of the future as an interactive mix of office information and data processing systems.

3. A known quantity of future OF systems is that they must be reactive to or interactive with the completed ACIS and LIMS systems which will be of advanced design and capability. Another certainty is the fact that GAS is a major system which does not and cannot meet the future requirements. This problem must be analyzed and addressed since it is central to the overall automation effort. It is possible that a new GAS will develop in a totally new configuration or simply cease to exist as an independent system. What is important is that existing and forthcoming technology capabilities, whether powered by a processor in a work station, a local minicomputer, or by a mainframe, be applied so as to maximize OF productivity and provide the most cost effective environment for our systems. Whatever system configurations evolve, they must be ones with on-line capabilities and which interface with and update each other either on a real time basis or at least overnight.

4. Planning for a new generation of OF automated systems must be particularly attentive to the related and overlapping concerns of system security and audit function. While basically an internal audit problem, the ensurance against theft of funds, property, and misuse of equipment and facilities will be made more difficult with an on-line user environment and the very nature of the farflung locations of terminals. Controls, effective throughout all the systems and associated equipment, must be designed to ensure complete, accurate, and reliable systems operation which cannot be bypassed by unauthorized intrusion and provide for secure physical positioning of terminals within offices. During the specification and design phase of systems, the Audit Staff should be involved and intended controls reviewed, authorized, and jointly approved by both OF and the Audit Staff. Where feasible, such controls should be automated, simple to understand, easy

S E C R E T

to maintain, and provide the elements of data which are required as a part of the audit trail. Methods to be used for controlling distribution of system output and the measures of control involved in the retention of this output are of particular importance if the data is subsequently used as source data to another system. Accounting systems will continue to be designed to conform to the principles and standards prescribed by the Comptroller General and automated audit capabilities developed to determine the adequacy of controls, management performance, accounting integrity, and verification of assets and liabilities. System design must include segregation of duties to prevent (1) unauthorized and fraudulent use of the computer, data, and programs; (2) unauthorized and fraudulent modification or manipulation of data and programs; and (3) unauthorized and fraudulent modification of data during normal processing.

5. In FY 1983, OF began development of a Field Accounting System (FAS) to record and report financial accounting responsibility from all Agency installations, outside of headquarters, on a world wide basis. This system will be a hybrid of the on-going  experiment, verify and sort data into any format desired, and eventually pass the data electronically and directly into GAS. Completion of the FAS procedures is anticipated to be mid 1984 with testing and implementation at field stations in FY 1985 where IMS has installed the necessary equipment. 25X1

6. Other initiatives are planned for in the near future. OF hopes to automate cash accounting for disbursing centers beginning with the disbursing office at 6E29 headquarters. An on-line capability will be implemented to immediately record cash transactions into GAS and affect the cash and other general ledger accounts involved. This will eliminate the cash reconciliation process entirely by providing instant cash balances at any time. This automation will be gradually expanded to the other headquarters area disbursing offices with world wide control of Agency cash assets the ultimate goal. Because OF intends to develop into a near paperless operation, forms and vouchers will no longer be on paper but recorded, approved, and certified on a terminal. How approvals and certification are electronically authenticated will be pursued and determined. Centralization of Agency travel and related accounting processes will serve only to highlight the need for an automated travel system which will encompass the total process. The resources have been made available to undertake a feasibility study by a commercial firm for adaptation of their existing automated system to Agency use. The study will take place during FY 1984. It is envisioned that the travel order itself will be in the form of a system menu and approved electronically. The detailed itinerary, including projected times of departures and arrivals, will automatically compute system stored subsistence rates, add any other required travel estimates, and generate any travel advance documentation necessary. The travel order information will be transferred to an accounting menu when that function occurs and required adjustments to itineraries and expenses made at that time. Together with the possible future use of credit cards for travel expense purposes, the administration of travel can be simplified dramatically.

S E C R E T

S E C R E T

C. Ciards Actuary System A joint OF/ODP development of an Actuary System to add, store, update, retrieve, and report information pertaining to current and former participants, annuitants, and survivors has been on-going during FY 1983. Implementation of the system is expected to occur in mid 1984 and will eliminate much manual effort presently required by OF payroll technicians.

D. Department of State Financial Management System (FMS)

1. During FY 1983, funding of \$638,000 was provided the Department to amend their FMS contract with Price Waterhouse for creation of an interface between the FMS data to be furnished the Agency and GAS. Initial operating capability of this interface is anticipated to be November 1985. A major impact on Agency resources is expected during the 1986/87 time frame when reimbursements to take Department will be on an actual expense rather than the factored basis.

2. During FY 1984 it is anticipated that a similar contract will be sought with American Management Services to provide an interface between Agency systems and the new centralized payroll being developed by State.

IV. Objectives

The following objectives have been designated as critical in meeting the above goals:

A. Maintain an Effective Career Development Program Which Maximizes the Motivation and Potential of Each Employee and Develop Other Programs Which Meet OF and Agency Needs.

1. During FY 1984, OF will undertake a study of MF positions for the purposes of (1) categorizing the types of positions (2) identification of those positions not requiring specialized expertise or long training periods to become productive and which are most easily filled by the average MF Careerist and (3) development of career planning strategy for succession of high expertise into each of the OF functional work areas.

2. In FY 1984, institute a rotational assignment policy, based on the findings and recommendations of the study, which will effectively limit rapid personnel reassignments to less critical positions from the standpoint of both career development purposes and OF requirements.

3. Schedule a fixed number of FY 1984 EOD's with OF for planned required training rather than immediate assignment.

4. Report quarterly to the DDA on the status of these efforts.

S E C R E T

B. Improve Effectiveness and Productivity of Careerists Through State-of-the-Art Automation.

1. During the first quarter of FY 1984, establish a task force to formulate a basic concept and long term strategy for the total automation of OF activities.

2. Report quarterly to the DDA on new and ongoing efforts in reaching this objective.

C. Ciards Actuary System.

1. Complete actuarial valuations in the third quarter of FY 1984.

2. Production of detailed 1983 Actuary Study in second quarter of FY 1984.

3. Completion of detailed systems requirements in October 1983.

4. Completion of detailed systems design phase in January 1984.

5. Completion of system implementation phase by May 1984.

6. Report quarterly to the DDA on the status of these efforts.

D. Department of State Financial Management Systems (FMS).

1. Report quarterly to the DDA on the status of FMS in relation to OF contractual involvement.

V. First Year Schedule

See Attachment A

VI. Resource Implications

A. At this time, it is anticipated that authorization and funds for an additional twenty (20) staff positions will be forthcoming for FY 1984. The OF budget for FY 1984 contains funding for the purchase of a second WANG/ALLIANCE system consisting of two (2) disk drives and one (1) CPU. This equipment has been ordered and, when installed, will further enlarge the network of the ALLIANCE system and provide appropriate system response time and back-up. This system expansion is a vital adjunct to increasing individual OF employee productivity in order to cope with a fluid personnel situation which will persist until well into FY 1985.

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S E C R E T

S E C R E T

C. The shortfall of personnel and the associated rapid rotational process will continue to affect OF capabilities well into FY 1985. Until that time, the office will continue to be unable to adequately address policy and office operational considerations which need to be focused on. Throughout FY 1984, OF will make a major effort to both strengthen and increase financial support to external unit requirements and problems.

D. The focal point within the Office of Finance for the planning activity will be [redacted] He can be reached [redacted]

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SUBMITTED:

[redacted]  
Office Director

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APPROVED:

[redacted]  
Deputy Director for Administration

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X - Actual

Office: Finance (CMS)

Objective Statement: OF Career Development and Other Programs.

Responsible Officer: Significant Funding Amount: \$                      FY 84Date Submitted:                     

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Activities Planned	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Categorization and Identification of Office Positions	-	-	-	-	-	-	-	-	-	-	-	0
Development of Planning Strategy To Insure Continuity Of Expertise For All Work Areas.	-	-	-	-	-	-	-	-	-	-	-	0
Formulate A Rotational Assignment Policy	-	-	-	(Ongoing Effort)			-	-	-	-	-	-
Schedule EOD Training.	-	-	-	(Ongoing Effort)			-	-	-	-	-	-
Initiate Other Training For Automation	-	-	-	(Ongoing Effort)			-	-	-	-	-	-

X - Actual

Office: Finance (D/OF & AD/PP)

Objective Statement: Improve Effectiveness and Productivity Through Automation

Responsible Officer: [REDACTED]

Significant Funding Amount: \$ [REDACTED] FY 84

Unfunded Requirement

Date Submitted:

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Activities Planned	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Establishment Of A Task Force For of Automation Strategy	--	-	0									
Action Taken on Task Force Recommendations	--	-	-	(Ongoing Effort)			-	-	-	-	-	-
Development of Other Automated Systems Applications	--	-	-	(Ongoing Effort)			-	-	-	-	-	-
[REDACTED] Feasibility Study	--	-	-	-	-	-	-	-	-	-	0	

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X - Actual

Office: Finance (AD/PP)

Objective Statement: CIARDS Actuary System

Responsible Officer:

Significant Funding Amount: \$                      FY 84

Date Submitted:                     

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Activities Planned	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Detailed Systems Design Phase	--	-	-	0								
Detailed Actuary Study	--	-	-	-	-	0						
System Implementation Phase	--	-	-	-	-	-	-	0				

X - Actual

Office: Finance (DD/C/OF)

Objective Statement: Dept. of State Financial Management System (FMS)

Responsible Officer:

Significant Funding Amount: \$  FY 83 Funds

Date Submitted:

25X1

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Activities Planned	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Status of FMS/ of Contract	-	-	-	(Ongoing Effort)			-	-	-	-	-	-